



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-580-894

Certain Tapered Roller Bearings from the Republic of Korea: Preliminary Affirmative Determination of Sales at Less-Than-Fair-Value, Postponement of Final Determination, and Extension of Provisional Measures

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that certain tapered roller bearings (TRBs) from the Republic of Korea (Korea) are being, or are likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is April 1, 2016, through March 31, 2017.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Blaine Wiltse or Manuel Rey, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6345 or (202) 482-5518, respectively.

SUPPLEMENTARY INFORMATION:

Commerce has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from January 20 through 22, 2018. If the new deadline falls on a non-business day, in accordance with Commerce's practice, the deadline will become the next

business day. Accordingly, the revised deadline for the preliminary determination of this investigation is now January 29, 2018.¹

Background

This preliminary determination is made in accordance with section 733(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this investigation on July 25, 2017.² On November 21, 2017, Commerce postponed the preliminary determination of this investigation.³ For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.⁴ A list of topics included in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

¹ *See* Memorandum for the Record from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, "Deadlines Affected by the Shutdown of the Federal Government" (Tolling Memorandum), dated January 23, 2018. All deadlines in this segment of the proceeding have been extended by 3 days.

² *See Certain Tapered Roller Bearings from the Republic of Korea: Initiation of Less-Than-Fair-Value Investigation*, 82 FR 34477 (July 25, 2017) (*Initiation Notice*).

³ *See Certain Tapered Roller Bearings from the Republic of Korea: Postponement of Preliminary Determination of Less-Than-Fair-Value Investigation*, 82 FR 55351 (November 21, 2017).

⁴ *See* Memorandum, "Decision Memorandum for the Preliminary Determination in the Less-Than-Fair-Value Investigation of Certain Tapered Roller Bearings from the Republic of Korea" dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

Scope of the Investigation

The products covered by this investigation are certain TRBs from Korea. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

In accordance with the preamble to Commerce's regulations,⁵ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁶ Certain interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*. After evaluating these comments,⁷ Commerce is not preliminarily modifying the scope language as it appeared in the *Initiation Notice*. *See* the scope in Appendix I to this notice.

Allegation of a Particular Market Situation

On October 24, 2017, the petitioner alleged that a particular market situation (PMS) existed during the POI with respect to the production of TRBs in Korea.⁸ On December 15, 2017, the petitioner supplemented its PMS allegation, including additional new factual information to support this allegation.⁹ After analyzing the information submitted by the petitioner, we preliminarily find that the petitioner's PMS allegation, and supporting factual information, is not sufficient to find that a PMS exists. For our analysis of the petitioner's PMS allegation, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this investigation in accordance with section 731 of the Act. Commerce has calculated export price in accordance with section 772(a) of the Act.

⁵ *See Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

⁶ *See Initiation Notice*, 82 FR at 34478.

⁷ For further discussion of these comments, *see* the Preliminary Decision Memorandum.

⁸ *See* the petitioner's letter, "Certain Tapered Roller Bearings from the Republic of Korea—Petitioner's Preliminary Particular Market Situation Comments and Section D RFI," dated October 24, 2017.

⁹ *See* Petitioner's Letter, "Certain Tapered Roller Bearings from Korea: Petitioner's Pre-Preliminary Determination Comments," dated December 15, 2017.

Alternatively, as appropriate, constructed export price has been calculated in accordance with section 772(b) of the Act. Normal value (NV) is calculated in accordance with section 773 of the Act. For a full description of the methodology underlying the preliminary determination, *see* the Preliminary Decision Memorandum.

All-Others Rate

Sections 733(d)(1)(ii) and 735(c)(5)(A) of the Act provide that in the preliminary determination Commerce shall determine an estimated all-others rate for all exporters and producers not individually examined. This rate shall be an amount equal to the average of the estimated weighted-average dumping margins established for exporters or producers individually investigated, excluding any zero or *de minimis* margins, or any margins determined entirely under section 776 of the Act. In this investigation, Commerce calculated estimated weighted-average dumping margins for Bearing Art¹⁰ and Schaeffler Korea Corporation (Schaeffler) that are not zero, *de minimis*, or based entirely on facts otherwise available. Commerce calculated the all-others' rate using a weighted average of the estimated weighted-average dumping margins calculated for the examined respondents using each respondent's publicly-ranged quantity of U.S. sales for the merchandise under consideration.¹¹

¹⁰ Commerce selected Bearing Art Corporation as a mandatory respondent in this investigation. Further, for this preliminary determination, Commerce preliminarily has determined to collapse, and treat as a single entity, this company and two affiliated parties, Iljin Bearing Corporation and Iljin Global Corporation. *See* Preliminary Decision Memorandum at 5-7. The collapsed entity is hereinafter collectively referred to as "Bearing Art."

¹¹ With two respondents under examination, Commerce normally calculates (A) a weighted-average of the estimated weighted-average dumping margins calculated for the examined respondents weighted using each respondent's actual U.S. sale quantity; (B) a simple average of the estimated weighted-average dumping margins calculated for the examined respondents; and (C) a weighted-average of the estimated weighted-average dumping margins calculated for the examined respondents using each respondent's publicly-ranged U.S. sale quantities for the merchandise under consideration. Commerce then compares (B) and (C) to (A) and selects the rate closest to (A) as the most appropriate rate for all-other producers and exporters. *See Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010). As complete publicly ranged sales data was available, Commerce based the all-others rate on the publicly

Preliminary Determination

Commerce preliminarily determines that the following estimated weighted-average dumping margins exist:

Exporter or Producer	Estimated Weighted-Average Dumping Margin (percent)
Bearing Art Corporation/Ijin Bearing Corporation/Ijin Global Corporation	45.53
Schaeffler Korea Corporation	21.23
All-Others	33.42

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise, as described in Appendix I, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*. Further, pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit equal to the estimated weighted-average dumping margin or the estimated all-others rate, as follows: (1) The cash deposit rate for the respondents listed above will be equal to the company-specific estimated weighted-average dumping margins determined in this preliminary determination; (2) if the exporter is not a respondent identified above, but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers

ranged sales data of the mandatory respondents. For a complete analysis of the data, please *see* the All-Others' Rate Calculation Memorandum.

and exporters will be equal to the all-others estimated weighted-average dumping margin. These suspension of liquidation instructions will remain in effect until further notice.

Disclosure

Commerce intends to disclose its calculations and analysis performed to interested parties in this preliminary determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Verification

As provided in section 782(i)(1) of the Act, Commerce intends to verify the information relied upon in making this preliminary determination.

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on which the last verification report is issued in this investigation. Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.¹² Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and

¹² See 19 CFR 351.309; see also 19 CFR 351.303 (for general filing requirements).

telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Postponement of Final Determination and Extension of Provisional Measures

Section 735(a)(2) of the Act provides that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise, or in the event of a negative preliminary determination, a request for such postponement is made by the petitioner. Section 351.210(e)(2) of Commerce's regulations requires that a request by exporters for postponement of the final determination be accompanied by a request for extension of provisional measures from a four-month period to a period not more than six months in duration.

On January 2, 2018, and January 10, 2018, pursuant to 19 CFR 351.210(e), Schaeffler and Bearing Art, respectively, requested that Commerce postpone the final determination and that provisional measures be extended to a period not to exceed six months.¹³ In accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii), because: (1) the preliminary determination is affirmative; (2) the requesting exporters account for a significant proportion of exports of the subject merchandise; and (3) no compelling reasons for denial exist, Commerce is

¹³ See Letter from Schaeffler, "Request to Extend the Final Determination: Antidumping Duty Investigation on Tapered Roller Bearings from Korea (A-580-894)," dated January 2, 2018; and Letter from Bearing Art, "Certain Tapered Roller Bearings from Korea: Request to Postpone Final Determination," dated January 10, 2018.

postponing the final determination and extending the provisional measures from a four-month period to a period not greater than six months. Accordingly, Commerce will make its final determination no later than 135 days after the date of publication of this preliminary determination.

International Trade Commission Notification

In accordance with section 733(f) of the Act, Commerce will notify the International Trade Commission (ITC) of its preliminary determination. If the final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

Notification to Interested Parties

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).

Christian Marsh
Acting Assistant Secretary
for Enforcement and Compliance

Dated: January 29, 2018

Appendix I

Scope of the Investigation

The scope of this investigation is certain tapered roller bearings. The scope covers all tapered roller bearings with a nominal outside cup diameter of eight inches and under, regardless of type of steel used to produce the bearing, whether of inch or metric size, and whether the tapered roller bearing is a thrust bearing or not. Certain tapered roller bearings include: finished cup and cone assemblies entering as a set, finished cone assemblies entering separately, and finished parts (cups, cones, and tapered rollers). Certain tapered roller bearings are sold individually as a set (cup and cone assembly), as a cone assembly, as a finished cup, or packaged as a kit with one or several tapered roller bearings, a seal, and grease. The scope of the investigation includes finished rollers and finished cones that have not been assembled with rollers and a cage. Certain tapered roller bearings can be a single row or multiple rows (*e.g.*, two- or four-row), and a cup can handle a single cone assembly or multiple cone assemblies.

Finished cups, cones, and rollers differ from unfinished cups, cones, and rollers in that they have undergone further processing after heat treatment, including, but not limited to, final machining, grinding, and/or polishing. Mere heat treatment of a cup, cone, or roller (without any further processing after heat treatment) does not render the cup, cone, or roller a finished part for the purpose of this investigation. Finished tapered roller bearing parts are understood to mean parts which, at the time of importation, are ready for assembly (if further assembly is required) and require no further finishing or fabrication, such as grinding, lathing, machining, polishing, heat treatment, *etc.* Finished parts may require grease, bolting, and/or pressing as part of final assembly, and the requirement that these processes be performed, subsequent to importation, does not remove an otherwise finished tapered roller bearing from the scope.

Tapered roller bearings that have a nominal outer cup diameter of eight inches and under that may be used in wheel hub units, rail bearings, or other housed bearings, but entered separately, are included in the scope to the same extent as described above. All tapered roller bearings meeting the written description above, and not otherwise excluded, are included, regardless of coating.

Excluded from the scope of this investigation are:

- 1) unfinished parts of tapered roller bearings (cups, cones, and tapered rollers);
- 2) cages, whether finished or unfinished;
- 3) the non-tapered roller bearing components of subject kits (*e.g.*, grease, seal); and
- 4) tapered roller bearing wheel hub units, rail bearings, and other housed tapered roller bearings (flange, take up cartridges, and hanger units incorporating tapered rollers).

Tapered roller bearings subject to this investigation are primarily classifiable under subheadings 8482.20.0040, 8482.20.0061, 8482.20.0070, 8482.20.0081, 8482.91.0050, 8482.99.1550, and 8482.99.1580 of the Harmonized Tariff Schedule of the United States (HTSUS).¹⁴ Parts may also enter under 8482.99.4500. While the HTSUS subheadings are provided for convenience and for customs purposes, the written description of the subject merchandise is dispositive.

¹⁴ Prior to July 2016, products entering under 8482.20.0061 entered under 8482.20.0060, products entering under 8482.20.0081 entered under 8482.20.0080, and products entering under 8482.99.1550 entered under 8482.99.1540.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

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 - IV. Scope Comments
 - V. Affiliation and Collapsing
 - VI. PMS Allegation
 - VII. Discussion of the Methodology
 - A. Determination of the Comparison Method
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 - A. Home Market Viability
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- [FR Doc. 2018-02104 Filed: 2/1/2018 8:45 am; Publication Date: 2/2/2018]